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Instructions For Reporting State-Assessed Property

*Intercounty Pipelines and
Watercourses*

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Foreword

The State Board of Equalization is required, under the provisions of section 19 of Article XIII of the California Constitution, to assess all intercounty pipelines, flumes, canals, ditches, and aqueducts. These instructions are for the direction of those persons responsible for reporting such property. This assessment jurisdiction does not include land and land rights (easement, etc.) for pipelines. However, the Board's jurisdiction includes land and land rights for flumes, ditches, aqueducts, and canals which are referred to in this pamphlet as "watercourses."

Common Carrier pipelines which are transporters of natural gas are assessed by the Board under the Board's jurisdiction over gas utilities.

If you have any questions regarding the property statement forms or reporting instructions, contact the Valuation Division, Intercounty Pipelines and Watercourses industry team lead person at 916-322-2323.

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I. Property Statement

A. General Instructions

A sworn property statement shall be filed annually with the State Board of Equalization by each person, corporation, or other entity owning, claiming, possessing, using, controlling, or managing any state-assessed property.

For purposes of reporting to the Board, intercounty pipelines and watercourses have been broken down into four subgroups:

1. Common Carrier Pipelines (PC).
2. Noncommon Carrier Pipelines (PN).
3. Natural Gas Pipelines (PG).
4. Flumes, Canals, Ditches, and Aqueducts (PW) — “Watercourses.”

Each of the above subgroups will contain a statement consisting of the following:

1. Declaration of Costs and Other Related Property Information (form BOE-517xx).
2. Dollar-Age Detail Report.
3. Statement of Land Changes and Land Identification Maps. (Only flumes, canals, ditches, or aqueducts)
4. Such other information as is hereinafter directed or as may be, from time to time, requested by the Board.

All parts of the property statement shall be filed no later than March 1st of each year.

For purposes of these instructions, pipelines shall include the facilities and appurtenances that are part of the transportation or transmission systems, but shall exclude the contents of pipelines, shall exclude lines and appurtenances that are essentially a part of production systems or other sources of supply, and shall also exclude lines and appurtenance that are essentially a part of distribution systems and refineries.

A pipeline includes the following: the line of pipe together with couplings, collars, valves, and fittings, with protection coverings; the structures supporting or encasing the pipe, above or below ground or under water; the pumps, boilers, engines, motors, manifolds, intakes, headers, station control valves, and auxiliary equipment attached to and connected therewith and necessary to the operation of the said major station units; receiving, shipping flow, breakout, balance and surge tanks, together with the suction from leased storage tanks, or other source of supply, to, from, and through pumping stations when such pumps, tanks, and so forth are essential and part of and necessary to the use and operation of the pipeline; and any other appurtenances necessary to the pipeline's proper functioning as such. Tanks used for storage and/or delivery of shipped petroleum products are not considered essential and necessary to the operation of the intercounty pipeline and should be reported to the county assessor.

Property acquired and held for future use shall be included in all reports and shall be separately reported as to its description, reason held for future use, and current status.

Contributed property shall be included in all reports and shall be separately reported as to its description, original cost to its contributor, and reason it was contributed, and by whom.

Supplemental reporting instructions may be issued to individual companies when additional data is needed or to clarify these instructions concerning specific issues. These supplemental instructions will be mailed at least 20 days prior to the extended reporting deadline.

Portions of the State Constitution, Revenue and Taxation Code, and other codes have pertinent information relating to the instructions contained in this publication. All of the codes and portions of the State Constitution pertaining to property tax laws are contained in a publication of the State Board of Equalization titled "Property Taxes Law Guide." This publication may be purchased from the State Board of Equalization, Publications Order Desk, 3920 West Capitol Avenue, West Sacramento, CA 95691. This publication may also be obtained from the Internet site of the Board of Equalization at **www.boe.ca.gov**.

All information provided in the Property Statement declaration is subject to audit.

1. Extensions

To meet unusual situations, exceptions to the requirements of these instructions may be granted in writing by the Chief of the Valuation Division.

The Board, for good cause, may grant extensions as follows:

1. Up to 45 days for parts of the property statement relating to development of unitary value indicators. This includes all financial schedules, the summary control, and any supplemental data requested by the Board. It also includes studies and other voluntary information that the assessee believes affects the value of their property.
2. Up to 30 days for parts of the property statement describing specific operating or non-unitary property. This includes the Dollar-Age Detail Report(s), Declaration of Costs & Other Related Property Information, and Statements of Land Change and Land Identification Maps.
3. An additional 15 day extension may be granted for either category above upon the showing of extraordinary circumstances which prevent filing the statement within the first extension.

2. Signature Requirements

If submitting a computer generated BOE-517 form, the form must be *pre-approved* by the Transportation Supervisor and must be in the same format as the preprinted forms.

This property statement must be signed by the owner or partner of the business, a duly appointed fiduciary, or an agent. When signed by an agent, employee, or representative other than a member of the bar, a certified public accountant, a public accountant, or a duly appointed fiduciary, the assessee's written authorization of the agent, employee, or representative to sign the statement on behalf of the assessee must be on file with the Valuation Division. Statement of Authorization (BOE-892) must be submitted annually to the Valuation Division in order for the agent, employee, or representative's status to remain current.

In the case of a corporation, the property statement must be signed by an employee or agent whom the board of directors has designated in writing (other than those excepted above) by name or by title, to sign such statements on behalf of the corporation, or by an officer of the corporation. The board of directors may appoint a person or persons to designate such employee or agent. The name of the corporation should be entered on the line provided.

The entry on the line "title" should clearly indicate whether or not written authorization is required to be filed with the Board.

Sign the property statement in accordance with the requirements listed above. Title 18, section 172 of the California Code of Regulations provides that statements not properly signed have not been properly submitted.

II. Declaration of Costs and Other Related Property Information (form BOE-517)

General Information

Note the following:

1. When there is nothing to report on a portion of the property statement, the state assessee must submit the appropriate form marked "None." Failure to respond to all parts of the property statement may subject the assessee to the penalties of Section 830 of the Revenue and Taxation Code.
2. Do not add information in black-out areas of form BOE-517.
3. Terminology used throughout form BOE-517:
System = Items that pertain to the entire company, California plus all Other States.
California = Items that pertain only to California.
State-Assessed = Items that only pertain to California and are assessed by the California State Board of Equalization.
County-Assessed = Items that are not assessed by the Board and are assessed by any California County Assessor.
Other States = All property that is not in California including property located in federal waters.
4. When the word pipeline is used, it includes flumes, canals, ditches, and aqueducts.

A. Instructions For Common Carrier Pipelines (form BOE-517-PC)

- I. Schedule A—Comparative Balance Sheet.
 - A. Column A—System Balance Beginning of Current Year.
 1. Enter the total of all FERC Account Numbers for each line item.
 2. The total should agree with *last years'* BOE-517-PC, Schedule A, System End of Year Balances—Column B.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - B. Column B—System Balance End of Current Year.
 1. Enter the total of all FERC Account Numbers for each line item.
 2. The overall total should agree with FERC form No. 6.
 - C. Column C—California Balance Beginning of Current Year.
 1. Enter the total of all California FERC Account Numbers for each line item.
 2. The total should agree with *last years'* BOE-517-PC, Schedule A, California End of Year Balance—Column D.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - D. Column D—California Balance End of Current Year.
 1. Enter the total of all California FERC Account Numbers for each line item.

- E. Reconciliation.
 - 1. Total each sub-group.
 - 2. Line 33A—Total Assets—must equal Line 61A—Total Liabilities and Stockholders Equity.
 - 3. Line 33B—Total Assets—must equal Line 61B—Total Liabilities and Stockholders Equity.
- II. Schedule B—Total California Plant and Equipment.
 - A. This schedule is a summary of schedules B2 + B3 + B4.
 - B. Column A—From Schedule B2, Column D.
 - 1. Lines 1A to 30A—Enter the numbers from Schedule B2, Column D—Lines 1D to 30D.
 - C. Column B—From Schedule B3, Column D.
 - 1. Lines 1B to 30B—Enter the numbers from Schedule B3, Column D—Lines 1D to 30D.
 - D. Column C—From Schedule B4, Column D.
 - 1. Lines 1C to 30C—Enter the numbers from Schedule B4, Column D—Lines 1D to 30D.
 - E. Column D—Balance End of Current Year.
 - 1. Lines 1D to 30D—Enter the total of Column A plus Column B plus Column C.
 - F. All Columns—Lines 24 thru 27 from Assessee Records.
- III. Schedule B2—Total California State-Assessed Common Carrier Plant and Equipment.
 - A. Do not include any property assessed by any California County Assessor.
 - B. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all State-Assessed FERC Account Numbers for each line item.
 - 2. The total should agree with *last years'* BOE-517-PC, Schedule B2, End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Column B—Additions.
 - 1. Enter the total of all State-Assessed Additions for the year of all FERC Account Numbers for each line item.
 - D. Column C—Retirements.
 - 1. Enter the total of all State-Assessed Retirements for the year of all FERC Account Numbers for each line item.
 - E. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C should equal Column D.
 - F. Reconciliation.
 - 1. If out of balance, attach schedule showing reasons.
- IV. Schedule B3—Total California State-Assessed Noncommon Carrier Plant and Equipment.
 - A. Do not include any property assessed by any California County Assessor.
 - B. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all State-Assessed FERC Account Numbers for each line item.
 - 2. The total should agree with *last years'* BOE-517-PC, Schedule B3, End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Column B—Additions.
 - 1. Enter the total of all State-Assessed Additions for the year of all FERC Account Numbers for each line item.
 - D. Column C—Retirements.
 - 1. Enter the total of all State-Assessed Retirements for the year of all FERC Account Numbers for each line item.

- E. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C should equal Column D.
- F. Reconciliation.
 - 1. If out of balance, attach schedule showing reasons.
- V. Schedule B4—Total California County-Assessed Plant and Equipment.
 - A. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all County-Assessed FERC Account Numbers for each line item.
 - 2. The total should agree with *last years'* BOE-517-PC, Schedule B4, End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - B. Column B—Additions.
 - 1. Enter the total of all County-Assessed Additions for the year of all FERC Account Numbers for each line item.
 - C. Column C—Retirements.
 - 1. Enter the total of all County-Assessed Retirements for the year of all FERC Account Numbers for each line item.
 - D. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C equals Column D.
 - E. Reconciliation.
 - 1. If out of balance, attach schedule showing reasons.
- VI. Schedule B5—Total System Plant and Equipment—Taxable and Nontaxable.
 - A. Column A—System Carrier Balance Beginning of Current Year.
 - 1. Lines 1A to 19A—Enter the total of all FERC Account Numbers for each line item.
 - 2. Line 20A—Total System Property—Enter the total of Lines 1A to 19A.
 - B. Column B—System Noncarrier Balance Beginning of Current Year.
 - 1. Lines 1B to 19B—Enter the total of all FERC Account Numbers for each line item.
 - 2. Line 20B—Total System Property—Enter the total of Lines 1B to 19B.
 - C. Column C—Total System Balance End of Current Year.
 - 1. Lines 1C to 19C—Enter the total of Column A plus Column B.
 - 2. Line 20C should agree with FERC form No. 6.
 - D. Column D—System County-Assessed Balance End of Current Year.
 - 1. Lines 1D to 19D—Enter the total of all FERC Account Numbers for each line item.
 - 2. Item 20D—Total System Property—Enter the total of Lines 1D to 19D.
 - E. Reconciliation.
 - 1. If revisions have been made, attach schedule showing changes and reasons for changes.
 - 2. If the overall total does not agree with FERC 6, attach schedule showing reasons.
- VII. Schedule B6—Total System Depreciation.
 - A. Column A—System Carrier Balance Beginning of Current Year.
 - 1. Line 1A—Enter the total depreciation that applies to Schedule B5—Line 20A.
 - B. Column B—System Noncarrier Balance Beginning of Current Year.
 - 1. Line 1B—Enter the total depreciation that applies to Schedule B5—Line 20B.
 - C. Column C—System County-Assessed Balance End of Current Year.
 - 1. Line 1C—Enter the total depreciation that applies to Schedule B5—Line 20C.
 - D. Column D—System Balance End of Current Year.
 - 1. Line 1D—Enter the total of Column A plus Column B plus Column C.

- E. Reconciliation.
 - 1. If revisions have been made, attach schedule showing changes and reasons for changes.
 - 2. If the overall total does not agree with FERC form no. 6, attach schedule showing reasons.
- VIII. Schedule B7—Cost Detail of System Plant and Equipment—Taxable and Nontaxable.
- A. Include all System property *except*: (1) Organization Costs, (2) Franchises and Consents, (3) Miscellaneous Intangible Plant, (4) Land and Land Rights, (5) Rights-of-way, (6) CWIP, and (7) Materials and Supplies.
 - B. For each cost detail group:
 - 1. Enter costs by acquisition year.
 - 2. Enter total of each group in total box.
 - C. For box labeled “Cost Detail Grand Total”:
 - 1. Enter each cost detail group total.
 - 2. Enter “Grand Total” in total box.
 - 3. The “Grand Total” should equal Schedule B5, Line 20D less Lines 1D, 2D, 17D, and 18D.
- IX. Schedule B8—Schedule B2 and B3, State-Assessed Plant and Equipment Reconciled to Dollar-Age Detail Reports and Schedule H.
- A. Line Item 1—Total Plant and Equipment.
 - 1. Enter the total from Schedule B2, Line 19, Column D.
 - B. Line Item 2—Total Plant and Equipment.
 - 1. Enter the total from Schedule B3, Line 19, Column D.
 - C. Line Item 3—Total Schedule B2 and B3.
 - 1. Enter the total of Line 1 and Line 2.
 - D. Line Item 4—Dollar-Age Detail Report—Fixed Equipment.
 - 1. Enter the total of all the items listed on form BOE-533-PF.
 - E. Line Item 5—Dollar-Age Detail Report—Continuous Pipeline.
 - 1. Enter the total of all the items listed on form BOE-533-PP.
 - F. Line Item 6—Total State-Assessed Taxable New and Replacement CWIP.
 - 1. Enter the total from Schedule H, Line 38, Columns B and C.
 - G. Line Item 7—Total of Dollar-Age Detail Report Less Schedule H.
 - 1. Enter the total of Line 4 plus Line 5 minus Line 6.
 - H. Line Item 8—Difference.
 - 1. Subtract Line 3 from Line 7.
 - 2. Line 8 should equal zero.
 - 3. Include CWIP reported in Schedule H (State-Assessed) in Schedules BOE-533-PF and BOE-533-PP.
 - I. Report Only State-Assessed Taxable Property on forms BOE-533-PF and BOE-533-PP.
Do not include Material and Supplies.
- X. Schedule C—Revenues and Expenses.
- A. Column A—System Carrier Revenue and Expense Sections.
 - 1. Enter the total from all FERC Account Numbers for each line.
 - 2. Line 25A—Pipeline Taxes—Do not include State and Federal Income Taxes.
 - 3. Line 9A—Total Revenues and Line 28A—Total Expenses should equal FERC form no. 6 totals less State and Federal Income Taxes.
 - B. Column B—System Noncarrier Revenue and Expense Sections.
 - 1. Enter the total of all FERC Account Numbers for each line.

2. Line 25B—Pipeline Taxes—Do not include State and Federal Income Taxes.
 3. Line 9B—Total Revenues and Line 28B—Total Expenses should equal FERC form no. 6 totals less State and Federal Income Taxes.
- C. Column C—California Carrier Revenue and Expense Sections.
1. Enter the total of all California FERC Account Numbers for each line.
 2. Line 25C—Pipeline Taxes—Do not include State and Federal Income Taxes.
- D. Column D—California Noncarrier Revenue and Expense Sections.
1. Enter the total of all California FERC Account Numbers for each line.
 2. Line 25D—Pipeline Taxes—Do not include State and Federal Income Taxes.
- E. Column A—System Property Taxes and State and Federal Income Taxes Section.
1. Line 29A—Ad Valorem Taxes—Enter the total System Ad Valorem Taxes, also include in Lines 25A and 25B.
 2. Line 30A—State Income Taxes—Enter the total System State Income Taxes, do not include in Lines 25A and 25B.
 3. Line 31A — Federal Income Taxes—Enter the total Federal Income Taxes, do not include in Lines 25A and 25B.
- F. Column B—California Property Taxes and California Income Taxes Section.
1. Line 29B—Ad Valorem Taxes—Enter the total California Ad Valorem Taxes, also include in Lines 25C and 25D.
 2. Line 30B—State Income Taxes—Enter the total California Income Taxes, do not include in Lines 25C and 25D.
- XI. Schedule C3—System Rental Expense.
- A. System Rental Expense—Column B.
1. Lines 1B-5B—Enter the total system rental expense for each line item.
 2. Line 6B—Total System Rental Expense — Enter the total of Lines 1B to 5B.
- XII. Schedule D—Statement of Income.
- A. Column A—For Current Calendar Year.
1. Enter the current year ending total for each line item.
 2. The overall total should agree with FERC form no. 6.
- B. Column B—For Prior Calendar Year.
1. Enter the prior year ending total for each line item.
 2. The total should agree with *last years'* BOE-517-PC, Schedule D Ending Balances.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
- C. Reconciliation.
1. If out of balance with FERC form no. 6, attach schedule showing reasons.
- XIII. Schedule D2—Statement of Retained Earnings.
- A. Column A—For Current Year Ended.
1. Enter the current year ending total for each line item.
 2. The overall total should agree with FERC form no. 6.
- B. Column B—For Prior Calendar Year.
1. Enter the prior year ending total for each line item.
 2. The total should agree with *last years'* BOE-517-PC, Schedule D, Ending Balances.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
- C. Reconciliation
1. If out of balance with FERC form no. 6, attach schedule showing reasons.

XIV. Schedule E—Ad Valorem Taxes Levied on State-Assessed Property on the Most Recent Board Roll.

A. Columns A, B & C—Total County Taxes Levied

1. This schedule pertains only to California Counties.
2. This schedule pertains only to property assessed by the California State Board of Equalization.
3. Enter the combined total of the first and second installments for the prior fiscal years California City and County tax bills for each County.
4. Do not include any property assessed by any California County Assessor.
5. Do not include any California levies on private (railroad) cars.
6. Do not include any special assessments.

XV. Schedule H — Construction Work in Progress

A. Construction Work in Progress (CWIP) should be reported as follows:

1. Preliminary Engineering Costs as part of Taxable CWIP.
Preliminary Engineering Costs are those costs incurred prior to the commencement of a construction project such as feasibility studies, architectural drawings, and engineering studies. Preliminary Engineering Costs may also include architectural and engineering costs incurred during the construction phase of the project, providing they relate to the overall project rather than to the portion of the project currently being constructed. These costs should be metered in as part of taxable CWIP based on the percentage of completion as of January 1. Ideally, this completion percentage should be based on an engineering estimate. However, if an engineering estimate is not obtainable, a completion percentage based on the incurred costs of construction including overhead to January 1, divided by the estimated total costs for the project will be accepted.
2. Overhead Costs as part of Taxable CWIP.
The reported amount for CWIP should include the proper loading for Overhead Costs. Overhead Costs are indirect labor, injuries and damages, taxes, general and administrative expenses, and overhead loading such as Allowance for Funds Used During Construction (AFUDC). The reported CWIP for California is considered to be properly loaded with its respective amount of taxable Overhead Costs when:
 - a. The taxable Overhead Costs are traceable to the taxable property; *OR*
 - b. The taxable CWIP is loaded with its proportionate share of Overhead Costs based on the percentage of the job's incurred taxable costs including the metered in Preliminary Engineering Costs to the total expenditures as of January 1. This *percentage* is expressed as:

$$\frac{\text{Taxable Cost to Date Before Overhead Loading (See Note 1)}}{\text{Divided By}} \\ \text{Total Costs to Date Before Overhead Loading}$$

Note 1. Taxable costs to date before overhead loading = (Taxable costs to date, less non-taxable preliminary engineering and less any other nontaxable such as prepayments for out-of-state equipment).

3. CWIP should be reported in two categories
 - a. New—(CWIP representing construction of new facilities.)
 - b. Replacement—(CWIP representing replacement of existing facilities.)If precise dollar amounts for the two categories of CWIP are not available, percentages may be reported with an explanation of how the percentages were derived.
4. Include taxable CWIP on the Dollar-Age Detail Report—Fixed Equipment (BOE-533-PF) and/or Dollar-Age Detail Report—Continuous Pipeline (BOE-533-PP).

B. Column A—Description.

1. Lines 1A to 37A and 41A to 44A—*Enter the location and description for each line item by Dollar-Age Detail Report Code, County Code and Location Code for all CWIP items.*

- C. Column B—State-Assessed New Construction—Taxable CWIP.
 - 1. Lines 1B to 37B—Enter the cost for each location & description.
 - 2. Line 38B—Enter the total of Lines 1B to 37B—Total Taxable CWIP.
- D. Column B—State-Assessed New Construction—Nontaxable CWIP.
 - 1. Lines 39B to 44B—Enter the cost for each location & description.
 - 2. Line 45B—Enter the total of Lines 39B to 44B—Total Nontaxable CWIP.
- E. Column B—State-Assessed New Construction—Total CWIP.
 - 1. Line 46B—Enter the total of Line 38B and Line 45B—Total CWIP.
- F. Column C—State-Assessed Replacement—Taxable CWIP.
 - 1. Lines 1C to 37C—Enter the cost for each location & description.
 - 2. Line 38C—Enter the total of Lines 1C to 37C—Total Taxable CWIP.
- G. Column C—State-Assessed Replacement—Nontaxable CWIP.
 - 1. Lines 39C to 44C—Enter the cost for each location & description.
 - 2. Line 45C — Enter the total of Lines 39C to 44C—Total Nontaxable CWIP.
- H. Column C—State-Assessed Replacement—Total CWIP
 - 1. Line 46C—Enter the total of Line 38C and Line 45C—Total CWIP.
- I. Column D—Total County-Assessed New Construction (detail not needed).
 - 1. Line 38D—Enter the total *taxable* County-Assessed New Construction.
 - 2. Line 45D—Enter the total *nontaxable* County-Assessed New Construction.
 - 3. Line 46D—Enter the total of Line 38D and Line 45D—Total CWIP.
- J. Column E—Total County-Assessed Replacement Construction (detail not needed).
 - 1. Line 38E—Enter the total *taxable* County-Assessed Replacement Construction.
 - 2. Line 45E—Enter the total *nontaxable* County-Assessed Replacement Construction.
 - 3. Line 46E—Enter the total of Line 38E and Line 45E—Total CWIP.
- K. Column F—Total Other States New Construction (detail not needed).
 - 1. Line 38F—Enter the total of all Taxable Other States New Construction.
 - 2. Line 45F—Enter the total of all Nontaxable Other States New Construction.
 - 3. Line 46F—Enter the total of Line 38F and Line 45F—Total CWIP.
- L. Column G—Total Other States Replacement Construction (detail not needed).
 - 1. Line 38G—Enter the total *taxable* Other States Replacement Construction.
 - 2. Line 45G—Enter the total *nontaxable* Other States Replacement Construction.
 - 3. Line 46G—Enter the total of Lines 38G and 45G—Total CWIP.
- M. Box Labeled—Total System CWIP.
 - 1. Line 1a—Enter the total of Line 46B and Line 46D and Line 46F—Total System New CWIP.
 - 2. Line 1b—Enter the total of Line 46C and Line 46E and Line 46G—Total System Replacement CWIP.
 - 3. Line 1c—Enter the total of Box 1a and Box 1b—Total System CWIP.
- N. Totals for State-Assessed and County-Assessed CWIP Must Reconcile to Schedule B, Line 20D and Line 26D.

XVI. Schedule I—California Pipeline Load Factors.

- A. Column A—SBE Pipeline Number
 - 1. Lines 1A to 41A—Enter the State Board of Equalization pipeline number.
 - 2. If SBE Pipeline Number unknown—contact Valuation Division—Transportation Section Supervisor.
- B. Column B—Pipeline Segment Name.
 - 1. Lines 1B to 41B—Enter the Pipeline Name (from—to), e.g., Bakersfield—Fresno.

- C. Column C—California Mileage.
 - 1. Line 1C to 41C—Enter the total Mileage in California to the nearest *hundredth* of a mile.
 - 2. Line 42C—Enter the total of Lines 1C to 41C.
- D. Column D—Annual Thruput Capacity.
 - 1. Lines 1D to 41D—Use January 1 to December 31 statistics.
 - 2. Use “Maximum Capacity” not “Design Thruput Capacity.”
 - 3. Calculate on a yearly basis.
- E. Column E—Annual Actual Thruput.
 - 1. Lines 1E to 41E—Use January 1 to December 31 statistics.
 - 2. Use actual thuput.
 - 3. Calculate on a yearly basis.
- F. Column F—Load Factor (E/D).
 - 1. Lines 1F to 41F—Divide Column E by Column D.
 - 2. Enter the total to the nearest *hundredth*.

XVII. Schedule I2—Pipeline Barrels Received and Delivered.

- A. Column A—Location.
 - 1. Lines 1A to 39A—Enter the name of the location.
- B. Column B—California Barrels Received.
 - 1. Lines 1B to 39B—Enter the Barrels Received at each location in California.
 - 2. Line 40B—Enter the total of Lines 1B to 39B.
- C. Column C—Other States Barrels Received.
 - 1. Lines 1C to 39C—Enter the Barrels Received at each location outside of California.
 - 2. Line 40C—Enter the total of Lines 1C to 39C.
- D. Column D—California Barrels Delivered.
 - 1. Lines 1D to 39D—Enter the Barrels Delivered at each location in California.
 - 2. Line 40D—Enter the total of Lines 1D to 39D.
- E. Column E—Other States Barrels Delivered.
 - 1. Lines 1E to 39E—Enter the Barrels Delivered at each location outside of California.
 - 2. Line 40E—Enter the total of Lines 1E to 39E.
- F. Column B—Total Barrels Received.
 - 1. Line 41B—Enter the total of Line 40B and Line 40C.
- G. Column B—Total Barrels Delivered.
 - 1. Line 42B—Enter the total of Line 40D and Line 40E.

XVIII. Schedule I3—Pipeline Barrel Miles

- A. Column A—SBE Pipeline Number.
 - 1. Lines 1A to 42A—Enter the State Board of Equalization pipeline number.
 - 2. If SBE Pipeline Number unknown—contact Valuation Division—Transportation Section Supervisor.
 - 3. If pipeline entirely outside California, no entry is required in this column.
- B. Column B—Pipeline Segment Name.
 - 1. Lines 1B to 42B—Enter the Pipeline Name of each segment in the system (from—to), e.g., Bakersfield—Fresno.
- C. Column C—California Mileage.
 - 1. Line 1C to 42C—Enter the Number of Miles the pipeline is in California to the nearest *hundredth*.
 - 2. Line 43C—Enter the total of Lines 1C to 42C.

- D. Column D—Other States Mileage
 - 1. Lines 1D to 42D—Enter the Number of Miles the pipeline is in other states to the nearest *hundredth*.
 - 2. Line 43D—Enter the total of Lines 1D to 42D.
- E. Column E—Barrels Pumped.
 - 1. Lines 1E to 42E—Enter the Barrels Pumped through each pipeline segment in the System.
 - 2. Line 43E—Enter the total of Lines 1E to 42E.
- F. Column F—California Barrel Miles (C x E).
 - 1. Lines 1F to 42F—Multiply Column C by Column E.
 - 2. Enter the total to the nearest *hundredth*.
 - 3. Line 43F—Enter the total of Lines 1F to 42F.
- G. Column G—Other States Barrel Miles (D x E).
 - 1. Lines 1G to 42G—Multiply Column D by Column E.
 - 2. Enter the total to the nearest *hundredth*.
 - 3. Line 43G—Enter the total of Lines 1G to 42G.

XIX. Schedule J—Regulatory Rate Base

If the information on this schedule is provided, staff will calculate a Rate Base value indicator.

- A. Line 1—Enter the historical cost of the common carrier plant in service in column A and the adjusted cost of common carrier plant according to FERC Trended Original Cost methodology in column B.
- B. Line 2—Enter the accumulated depreciation of common carrier plant in service in column A and the accumulated depreciation adjusted according to FERC Trended Original Cost methodology in column B.
- C. Line 3—Enter the Deferred Income Tax Liability related to common carrier plant in service in both columns A and B.
- D. Line 5a & 5b—Enter the amounts of debt and equity expressed as a percentage used in calculation of the Trended Original Cost rate base.
- E. Line 6—Enter the cost of noncommon carrier plant in service in column A.
- F. Line 7—Check all methods used by this company to establish rates.

B. Instructions for Noncommon Carrier Pipelines (form BOE-517-PN)

- I. Schedule B—Total California Noncommon Carrier Plant and Equipment.
 - A. This schedule is a summary of Schedules B2 and B3.
 - B. Column A—From Schedule B2, Column D.
 - 1. Lines 1A to 23A—Enter the numbers from Schedule B2, Column D—Lines 1D to 23D.
 - C. Column B—From Schedule B3, Column D.
 - 1. Lines 1B to 23B—Enter the numbers from Schedule B3, Column D—Lines 1D to 23D.
 - D. Column C—Balance End of Current Year.
 - 1. Lines 1C to 23C—Enter the total of Column A plus Column B.
- II. Schedule B2—Total California State-Assessed Plant and Equipment Noncommon Carrier.
 - A. Do not include any property assessed by any California County Assessor.
 - B. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all State-Assessed FERC Account Numbers for each line item.

2. The total should agree with *last years'* BOE-517-PN, Schedule B2, End of Year Balance—Column D.
 3. If revisions have been made, attach schedule showing changes and reason for changes.
- C. Column B—Additions.
1. Enter the total of all State-Assessed Additions for the year of all FERC Account Numbers for each line item.
- D. Column C—Retirements.
1. Enter the total of all State-Assessed Retirements for the year of all FERC Account Numbers for each line item.
- E. Column D—Balance End of Current Year.
1. Column A plus Column B less Column C equals Column D.
- F. Reconciliation
1. If out-of-balance, attach schedule showing reasons.
- III. Schedule B3—Total California County-Assessed Plant and Equipment Noncommon Carrier.
- A. Column A—Balance Beginning of Current Year.
1. Enter the total of all County-Assessed FERC Account Numbers for each line item.
 2. The total should agree with *last years'* BOE-517-PN, Schedule B3, End of Year Balance—Column D.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
- B. Column B—Additions.
1. Enter the total of all County-Assessed Additions for the year of all FERC Account Numbers for each line item.
- C. Column C—Retirements.
1. Enter the total of all County-Assessed Retirements for the year of all FERC Account Numbers for each line item.
- D. Column D—Balance End of Current Year.
1. Column A plus Column B less Column C equals Column D.
- E. Reconciliation
1. If out of balance, attach schedule showing reasons.
- IV. Schedule B4—Reconcile Schedule B2 to Dollar-Age Detail Report and Schedule H. State-Assessed Taxable Property Totals Only.
- A. Line Item 1—Total Plant and Equipment.
1. Enter the total from Schedule B2, Line 18, Column D.
- B. Line Item 2—Dollar-Age Detail Report—Fixed Equipment.
1. Enter the total of all the items listed on form BOE-533-PF.
- C. Line Item 3—Dollar-Age Detail Report—Continuous Pipeline.
1. Enter the total of all the items listed on form BOE-533-PP
- D. Line Item 4—Total State-Assessed Taxable New and Replacement CWIP.
1. Enter the total from Schedule H, Line 38, Column D.
- E. Line Item 5—Total of Dollar-Age Detail Report less Schedule H.
1. Enter the total of Line 2 plus Line 3 minus Line 4.
- F. Line Item 6—Difference.
1. Subtract Line 5 from Line 1.
 2. Line 6 should equal zero.

3. Include CWIP reported in Schedule H (State-Assessed) in Schedules BOE-533-PF and BOE-533-PP.
- G. Report only State-Assessed Taxable Property on forms BOE-533-PF and BOE-533-PP. Do not include Material and Supplies.
- V. Schedule E—Ad Valorem Taxes Levied on State-Assessed Property on the Most Recent Board Roll.
- A. Columns A, B & C—Total County Taxes Levied.
1. This schedule pertains only to California Counties.
 2. This schedule pertains only to property assessed by the California State Board of Equalization.
 3. Enter the combined total of the first and second installments for the prior fiscal years California city and county tax bills for each county.
 4. Do not include any property assessed by any California County Assessor.
 5. Do not include any California levies on private (railroad) cars.
 6. Do not include any special assessments.
- VI. Schedule H—Construction Work in Progress.
- A. Construction Work in Progress (CWIP) should be reported as follows:
1. Preliminary Engineering Costs as part of Taxable CWIP.
Preliminary Engineering Costs are those costs incurred prior to the commencement of a construction project such as feasibility studies, architectural drawings, and engineering studies. Preliminary Engineering Costs may also include architectural and engineering costs incurred during the construction phase of the project, providing they relate to the overall project rather than to the portion of the project currently being constructed. These costs should be metered in as part of taxable CWIP based on the percentage of completion as of January 1. Ideally, this completion percentage should be based on an engineering estimate. However, if an engineering estimate is not obtainable, a completion percentage based on the incurred costs of construction including overhead to January 1, divided by the estimated total costs for the project will be accepted.
 2. Overhead Costs as part of Taxable CWIP.
The reported amount for CWIP should include the proper loading for Overhead Costs. Overhead Costs are indirect labor, injuries and damages, taxes, general and administrative expenses, and overhead loading such as Allowance for Funds Used During Construction (AFUDC). The reported CWIP for California is considered to be properly loaded with its respective amount of taxable Overhead Costs when:
 - a. The taxable Overhead Costs are traceable to the taxable property; *OR*
 - b. The taxable CWIP is loaded with its proportionate share of Overhead Costs based on the percentage of the job's incurred taxable costs including the metered in Preliminary Engineering Costs to the total expenditures as of January 1. This *percentage* is expressed as:

$$\frac{\text{Taxable Cost to Date Before Overhead Loading (See Note 1)}}{\text{Total Costs to Date Before Overhead Loading}}$$

Note 1. Taxable costs to date before overhead loading = (Taxable costs to date, less non-taxable preliminary engineering and less any other nontaxable such as prepayments for out-of-state equipment).
 3. CWIP should be reported in two categories:
 - a. New—(CWIP representing construction of new facilities.)
 - b. Replacement—(CWIP representing replacement of existing facilities.)

If precise dollar amounts for the two categories of CWIP are not available, percentages may be reported with an explanation of how the percentages were derived.

4. Include taxable CWIP on the Tangible Property List—Fixed Equipment (BOE-533-PF) or Tangible Property List—Continuous Pipeline (BOE-533-PP).
- B. Column A—Description.
 1. Lines 1A to 37A—Enter the location and description for each line item by Tangible Property Description Code, County Code and Location Code for all CWIP items.
 - C. Column B—State-Assessed New Construction—Taxable CWIP
 1. Lines 1B to 37B—Enter the cost for each location & description.
 2. Line 38B—Enter the total of Lines 1 to 37B—Total Taxable CWIP.
 - D. Column C—State-Assessed Replacement—Taxable CWIP.
 1. Lines 1C to 37C—Enter the cost for each location & description.
 2. Line 38C—Enter the total of Lines 1C to 37C—Total Taxable CWIP.
 - E. Column D—Total State-Assessed.
 1. Line 38D—Enter the total of Line 38B and Line 38C—Total Taxable CWIP.
 2. Reconciliation—Line 38D must equal Schedule B, Line 13.
- VII. Schedule I—California Pipeline Load Factors.
- A. Column A—SBE Pipeline Number.
 1. Lines 1A to 41A—Enter the State Board of Equalization Pipeline Number.
 2. If SBE Pipeline Number unknown—contact Valuation Division — Transportation Team Supervisor.
 - B. Column B—Pipeline Segment Name.
 1. Lines 1B to 41B—Enter the Pipeline Name (from—to), e.g., Bakersfield—Fresno.
 - C. Column C—California Mileage.
 1. Lines 1C to 41C—Enter the total Mileage in California to the nearest *hundredth* of a mile.
 2. Line 42—Enter the total of Lines 1C to 41C.
 - D. Column D—Annual Thruput Capacity.
 1. Lines 1D to 41D—Use January 1 to December 31 statistics.
 2. Use “Maximum Capacity” not “Design Thruput Capacity.”
 3. Calculate on a yearly basis.
 - E. Column E—Annual Actual Thruput.
 1. Lines 1E to 41E—Use January 1 to December 31 statistics.
 2. Use actual thruput.
 3. Calculate on a yearly basis.
 - F. Column F—Load Factor (E/D).
 1. Lines 1F to 41F—Divide Column E by Column D.
 2. Enter the total to the nearest *hundredth*.

C. Instructions for Natural Gas Pipelines (form BOE-517-PG)

- I. Schedule A—Comparative Balance Sheet.
 - A. Column A—System Balance Beginning of Current Year.
 1. Enter the total of all FERC Account Numbers for each line item.
 2. The total should agree with *prior year’s* BOE-517-PG, Schedule A, System End of Year Balance—Column B.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - B. Column B—System Balance End of Current Year.
 1. Enter the total of all FERC Account Numbers for each line item.
 2. The overall totals should agree with FERC form no. 2.

- C. Column C—California Balance Beginning of Current Year.
 - 1. Enter the total of all California FERC Account Numbers for each line item.
 - 2. The total should agree with *prior year's* BOE-517-PG, Schedule A, California End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - D. Column D—California Balance End of Current Year.
 - 1. Enter the total of all California FERC Account Numbers for each line item.
 - E. Reconciliation.
 - 1. Total each sub-group.
 - 2. Line 17A—Total Assets—must equal Line 23A—Total Liabilities and Stockholders Equity.
 - 3. Line 17B—Total Assets—must equal Line 23B—Total Liabilities and Stockholders Equity.
 - 4. Column D Line Items must equal Schedule B, Column D, Comparable Line Items.
- II. Schedule B—Total California Plant and Equipment.
- A. This schedule is a summary of Schedules B2 & B3.
 - B. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all California FERC Account Numbers for each line item.
 - 2. The total should agree with *prior year's* BOE-517-PG, Schedule B, End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Column B—Additions.
 - 1. Enter the total of all California Additions for the year of all FERC Account Numbers for each line item.
 - D. Column C—Retirements.
 - 1. Enter the total of all California Retirements for the year of all FERC Account Numbers for each line item.
 - E. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C should equal Column D.
 - F. Reconciliation.
 - 1. If Out of balance, attach schedule showing reasons.
- III. Schedule B2—Total State-Assessed Plant & Equipment.
- A. Do not include any property assessed by any California County Assessor.
 - B. Column A—Balance Beginning of Current Year.
 - 1. Enter the total of all State-Assessed FERC Account Numbers for each line item.
 - 2. The total should agree with *prior year's* BOE-517-PG, Schedule B2, End of Year Balance—Column D.
 - 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Column B—Additions.
 - 1. Enter the total of all State-Assessed Additions for the year of all FERC Account Numbers for each line item.
 - D. Column C—Retirements.
 - 1. Enter the total of all State-Assessed Retirements for the year of all FERC Account Numbers for each line item.
 - E. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C should equal Column D.
 - F. Reconciliation.
 - 1. If out of balance, attach schedule showing reasons.

- IV. Schedule B3—Total County-Assessed Plant & Equipment.
 - A. Column A—Balance Beginning of Current Year.
 1. Enter the total of all County-Assessed FERC Account Numbers for each line item.
 2. The total should agree with *prior year's* BOE-517-PG, Schedule B3, End of Year Balance—Column D.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - B. Column B—Additions.
 1. Enter the total of all County-Assessed Additions for the year of all FERC Account Numbers for each line item.
 - C. Column C—Retirements.
 1. Enter the total of all County-Assessed Retirements for the year of all FERC Account Numbers for each line item.
 - D. Column D—Balance End of Current Year.
 1. Column A plus Column B less Column C should equal Column D.
 - E. Reconciliation.
 1. If out of balance, attach schedule showing reasons.
- V. Schedule B4—Cost Detail of System Plant and Equipment—Taxable and Nontaxable. (Required only if Schedule C completed.)
 - A. Include all System property *except*: (1) Organization Costs, (2) Franchises and Consents, (3) Miscellaneous Intangible Plant, (4) Land and Land Rights, (5) Producing Lands and Leaseholds, (6) Gas Rights, (7) Rights-of-way, (8) Unsuccessful Exploration and Development Costs, (9) Storage Leaseholds and Rights, (10) Nonrecoverable Natural Gas, (11) CWIP, and (12) Plant Materials and Operating Supplies.
 - B. Refer to conversion table on page 22 of instructions for breakdown of FERC accounts by cost detail group.
 1. For each cost detail group:
 - a. Enter costs by acquisition year.
 - b. Enter total of each group in total box.
 2. For box labeled "Cost Detail Grand Total."
 - a. Enter each cost detail group total.
 - b. Enter "Grand Total" in total box.
 - c. The "Grand Total" should equal Schedule B2, Line 56D, and CWIP.
- VI. Schedule B5—Total System Plant and Equipment
 - A. Column A—Balance Beginning of Current Year.
 1. Line 1A—Enter the line total from Schedule B2, Line 56A—Total State-Assessed Summary of Accounts Property.
 2. Line 2A—Enter the total of all California property that was assessed by any California County Assessor, Schedule B3, Line 56A.
 3. Line 3A—Enter the total of all Other States property.
 4. Line 4A—Enter the total of Lines 1A to 3A.
 - B. Column D—Balance End of Current Year.
 1. Line 1D—Enter the line total from Schedule B2, Line 56D—Total State-Assessed Summary of Accounts Property.
 2. Line 2D—Enter the total of all California property that is assessed by any California County Assessor, Schedule B3, Line 56D.
 3. Line 3D—Enter the total of all Other States property.
 4. Line 4D—Enter the total of Lines 1D to 3D.

C. Reconciliation.

1. If revisions have been made, attach schedule showing changes and reasons for changes.
2. If the overall total does not agree with FERC form no. 2, attach schedule showing reasons.

VII. Schedule B6 — Total System Depreciation.

A. Column A—Balance Beginning of Current Year.

1. Line 1A—Enter the line total from Schedule B2, Line 59A—Total State-Assessed Accrued Depreciation.
2. Line 2A—Enter the total Accrued Depreciation of all California property that was assessed by any California County Assessor, Schedule B3, Line 59A.
3. Line 3A—Enter the total Accrued Depreciation of all Other States property.
4. Line 4A—Enter the total of Lines 1A to 3A.

B. Column D—Balance End of Current Year.

1. Line 1D—Enter the line total from Schedule B2, Line 59D — Total State-Assessed Accrued Depreciation.
2. Line 2D—Enter the total Accrued Depreciation of all California property that is assessed by any California County Assessor, Schedule B3, Line 59D.
3. Line 3D—Enter the total Accrued Depreciation of all Other States property.
4. Line 4D—Enter the total of Lines 1D to 3D.

C. Reconciliation.

1. If out of balance, attach schedule showing reasons.
2. If the overall total does not agree with FERC form no. 2, attach schedule showing reasons.

VIII. Schedule B7—Schedule B2 State-Assessed Plant and Equipment Reconciled to Dollar-Age Detail Report and Schedule H.

A. Line Item 1—Total State-Assessed Gas Plant Taxable Property.

1. Enter the total from Schedule B2, Line 44, Column D.

B. Line Item 2—Dollar-Age Detail Report—Fixed Equipment.

1. Enter the total of all the items listed on form BOE-533-PF.

C. Line Item 3—Dollar-Age Detail Report—Continuous Pipeline.

1. Enter the total of all the items listed on form BOE-533-PP.

D. Line Item 4—Total State-Assessed Taxable New and Replacement CWIP.

1. Enter the total from Schedule H, Line 32, Columns B and C.

E. Line Item 5—Total Dollar-Age Detail Report Less Schedule H.

1. Enter total of Line 2 plus Line 3 minus Line 4.

F. Line Item 6—Difference.

1. Subtract Line 1 from Line 5.
2. Line 6 should equal zero.
3. Include CWIP reported in Schedule H (State-Assessed) in Schedules BOE-533-PF and BOE-533-PP.

G. Report only State-Assessed Property on forms BOE-533-PF and BOE-533-PP.

Do not include Material and Supplies.

IX. Schedule C—Revenues and Expenses.

A. If the company operates entirely in California and has no operations outside of California, use System—Column A.

B. Column A—System Revenue and Expense Sections.

1. Enter the total of all FERC Account Numbers for each line.
2. Line 30A—Income Taxes—Do not include State and Federal Income Taxes.

3. Line 17A—Total Utility Operating Revenue and Line 36A—Total Utility Operating Expense should equal FERC form no. 2 totals less State and Federal Income Taxes.
- C. Column B—California Revenue and Expense Sections.
 1. Enter the California total of all FERC Account Numbers for each line.
 2. Line 30B—Income Taxes—Do not include State and Federal Income Taxes.
- D. Column A—System Property Taxes and State and Federal Income Taxes Section.
 1. Line 37A—Ad Valorem Taxes—Enter the total System Ad Valorem Taxes, also include in Line 29A.
 2. Line 38A—State Income Taxes—Enter the total System State Income Taxes, do not include in Line 30A.
 3. Line 39A—Federal Income Taxes—Enter the total System Federal Income Taxes, do not include in Line 30A.
- E. Column B—California Property Taxes and State and Federal Income Taxes Section.
 1. Line 37B—Ad Valorem Taxes—Enter the total California Ad Valorem Taxes, also include in Line 29B.
 2. Line 38B—State Income Taxes—Enter the total California State Income Taxes, do not include in Line 30B.
 3. Line 39B — Federal Income Taxes—Do not enter Federal Income Taxes, do not include in Line 30B.
- X. Schedule C3—System Rental Expense
 - A. System Rental Expense—Column B.
 1. Lines 1B - 5B—Enter the total system rental expense for each line item.
 2. Line 6B—Total System Rental Expense—Enter the total of Lines 1B to 5B.
- XI. Schedule D—Statement of Income.
 - A. Column A—For Current Calendar Year.
 1. Enter the current year ending total for each line item.
 2. The overall total should agree with FERC form no. 2.
 - B. Column B—For Prior Year Ended.
 1. Enter the prior year ending total for each line item.
 2. The total should agree with *prior year's* BOE-517-PG, Schedule D ending balances.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Reconciliation.
 1. If out of balance with FERC form no. 2, attach schedule showing reasons.
- XII. Schedule D2—Statement of Retained Earnings.
 - A. Column A—For Current Calendar Year.
 1. Enter the current year ending total for each line item.
 2. The overall total should agree with FERC form no. 2.
 - B. Column B—For Prior Calendar Year.
 1. Enter the prior year ending total for each line item.
 2. The total should agree with *prior year's* BOE-517-PG, Schedule D ending balances.
 3. If revisions have been made, attach schedule showing changes and reasons for changes.
 - C. Reconciliation.
 1. If out of balance with FERC form no. 2, attach schedule showing reasons.
- XIII. Schedule E—Ad Valorem Taxes Levied on State-Assessed Property on the Most Recent Board Roll
 - A. Columns A, B & C—Total County Taxes Levied
 1. This schedule pertains only for California Counties.

2. This schedule pertains only to property assessed by the California State Board of Equalization.
3. Enter the combined total of the first and second installments for the prior fiscal years California City and County tax bills for each County.
4. Do not include any property assessed by any California County Assessor.
5. Do not include any California levies on private (railroad) cars.
6. Do not include any special assessments.

XIV. Schedule H—State-Assessed Construction Work in Progress.

A. Construction Work in Progress (CWIP) should be reported as follows:

1. Preliminary Engineering Costs as part of Taxable CWIP.
Preliminary Engineering Costs are those costs incurred prior to the commencement of a construction project such as feasibility studies, architectural drawings, and engineering studies. Preliminary Engineering Costs may also include architectural and engineering costs incurred during the construction phase of the project, providing they relate to the overall project rather than to the portion of the project currently being constructed. These costs should be metered in as part of taxable CWIP based on the percentage of completion as of January 1. Ideally, this completion percentage should be based on an engineering estimate. However, if an engineering estimate is not obtainable, a completion percentage based on the incurred costs of construction including overhead to January 1, divided by the estimated total costs for the project will be accepted.
2. Overhead Costs as part of Taxable CWIP.
The reported amount for CWIP should include the proper loading for Overhead Costs. Overhead Costs are indirect labor, injuries and damages, taxes, general and administrative expenses, and overhead loading such as Allowance for Funds Used During Construction (AFUDC). The reported CWIP for California is considered to be properly loaded with its respective amount taxable Overhead Costs when:
 - a. The taxable Overhead Costs are traceable to the taxable property; *OR*
 - b. The taxable CWIP is loaded with its proportionate share of Overhead Costs based on the percentage of the job's incurred taxable costs including the metered in Preliminary Engineering Costs to the Total expenditures as of January 1. This *percentage* is expressed as:

$$\frac{\text{Taxable Cost to Date Before Overhead Loading (See Note 1)}}{\text{Divided By}} \\ \text{Total Costs to Date Before Overhead Loading}$$

Note 1. Taxable costs to date before overhead loading = (Taxable costs to date, less non-taxable preliminary engineering and less any other nontaxable such as prepayments for out-of-state equipment).

3. CWIP should be reported in two categories:
 - a. New—(CWIP representing construction of new facilities.)
 - b. Replacement—(CWIP representing replacement of existing facilities.)
 If precise dollar amounts for the two categories of CWIP are not available, percentages may be reported with an explanation of how the percentages were derived.
 4. Include taxable CWIP on the Dollar-Age Detail Report—Fixed Equipment (BOE-533-PF) or Dollar-Age Detail Report—Continuous Pipeline (BOE-533-PP).
- B. Column A—Description.**
1. Lines 1A to 31A and 33A to 38A—Enter the location and description for each line item by Tangible Property Description Code, County Code and Location Code for all CWIP items.
- C. Column B—State-Assessed New Construction—Taxable CWIP.**
1. Lines 1B to 31B—Enter the cost for each location & description.
 2. Line 32B—Enter the total of Lines 1B to 31B—Total Taxable CWIP.

- D. Column B—State-Assessed New Construction—Nontaxable CWIP.
 - 1. Lines 33B to 38B—Enter the cost for each location & description.
 - 2. Line 39B—Enter the total of Lines 33B to 38B—Total Nontaxable CWIP.
 - E. Column B—State-Assessed New Construction—Total CWIP.
 - 1. Line 40B—Enter the total of Lines 32B and 39B—Total CWIP.
 - F. Column C—State-Assessed Replacement—Taxable CWIP.
 - 1. Lines 1C to 31C—Enter the cost for each location & description.
 - 2. Line 32C—Enter the total of Lines 1C to 31C—Total Taxable CWIP.
 - G. Column C—State-Assessed Replacement—Nontaxable CWIP.
 - 1. Lines 33C to 38C—Enter the cost for each location & description.
 - 2. Line 39C—Enter the total of Lines 33C to 38C—Total Nontaxable CWIP.
 - H. Column C—State-Assessed Replacement—Total CWIP.
 - 1. Line 40C—Enter the total of Line 32C and Line 39C—Total CWIP.
 - I. Column D—Total County-Assessed New Construction (detail not needed).
 - 1. Line 32D—Enter the total *taxable* County-Assessed New Construction.
 - 2. Line 39D—Enter the total *nontaxable* County-Assessed New Construction.
 - 3. Line 40D—Enter the total of Lines 32D and 39D—Total CWIP.
 - J. Column E—Total County-Assessed Replacement Construction (detail not needed).
 - 1. Line 32E—Enter the total *taxable* County-Assessed Replacement Construction.
 - 2. Line 39E—Enter the total *nontaxable* County-Assessed Replacement Construction.
 - 3. Line 40E—Enter the total of Lines 32E and 39E—Total CWIP.
 - K. Column F—Total Other States New Construction (detail not needed).
 - 1. Line 32F—Enter the total of all *taxable* Other States New Construction.
 - 2. Line 39F—Enter the total of all *nontaxable* Other States New Construction.
 - 3. Line 40F—Enter the total of Line 32F and Line 39F—Total CWIP.
 - L. Column G—Total Other States Replacement Construction (detail not needed).
 - 1. Line 32G—Enter the total *taxable* Other States Replacement Construction.
 - 2. Line 39G—Enter the total *nontaxable* Other States Replacement Construction.
 - 3. Line 40G—Enter the total of Lines 32G and 39G—Total CWIP.
 - M. Box Labeled—Total System CWIP.
 - 1. Line 1a—Enter the total of Line 40B and Line 40D and Line 40F—Total System New CWIP.
 - 2. Line 1b—Enter the total of Line 40C and Line 40E and Line 40G—Total System Replacement CWIP.
 - 3. Line 1c—Enter the total of Box 1a and Box 1b—Total System CWIP.
 - N. Totals for System, State-Assessed, and County-Assessed CWIP Must Reconcile to Schedule A, Line 2, Column B; and Schedule B, Lines 46 + 47 + 51, Respectively.
- XV. Schedule I—California Pipeline Load Factors.
- A. Column A—SBE Pipeline Number
 - 1. Lines 1A to 41A—Enter the State Board of Equalization pipeline number.
 - 2. If SBE Pipeline Number unknown—contact Valuation Division—Transportation Section Supervisor.
 - B. Column B—Pipeline Segment Name
 - 1. Lines 1B to 41B—Enter the Pipeline Name (from — to), e.g., Bakersfield—Fresno.
 - C. Column C—California Mileage
 - 1. Lines 1C to 41C—Enter the total Mileage in California to the nearest *hundredth* of a mile.
 - 2. Line 42—Enter the total of Lines 1C to 41C.

- D. Column D—MCF of Gas Annual Thruput Capacity.
 - 1. Lines 1D to 41D—Use January 1 to December 31 statistics.
 - 2. Use “Maximum Capacity” not “Design Thruput Capacity.”
 - 3. Calculate on a yearly basis.
 - E. Column E—MCF of Gas Annual Actual Thruput.
 - 1. Lines 1E to 41E—Use January 1 to December 31 statistics.
 - 2. Use actual thruput.
 - 3. Calculate on a yearly basis.
 - F. Column F—Load Factor (E/D).
 - 1. Lines 1F to 41F—Divide Column E by Column D.
 - 2. Enter the total to the nearest *hundredth*.
- XVI. Schedule I2—Pipeline MCF in Gas Received and Delivered.
- A. Column A—Location.
 - 1. Lines 1A to 39A—Enter the Name of the location.
 - B. Column B—California MCF of Gas Received.
 - 1. Lines 1 B to 39B—Enter the MCF of Gas Received at each location in California.
 - 2. Line 40B—Enter the total of Lines 1B to 39B.
 - C. Column C—Other States MCF of Gas Received.
 - 1. Line 1C to 39C—Enter the MCF of Gas Received at each location outside of California.
 - 2. Line 40C—Enter the total of Lines 1C to 39C.
 - D. Column D—California MCF of Gas Delivered.
 - 1. Line 1D to 39D—Enter the MCF of Gas Delivered at each location in California.
 - 2. Line 40D—Enter the total of Lines 1D to 39D.
 - E. Column E—Other States MCF of Gas Delivered.
 - 1. Line 1E to 39E—Enter the MCF of Gas Delivered at each location outside of California.
 - 2. Line 40E—Enter the total of Lines 1E to 39E
 - F. Column B—Total MCF in Gas Received.
 - 1. Line 41B—Enter the total of Line 40B and Line 40C.
 - G. Column B—Total MCF in Gas Delivered.
 - 1. Line 42B—Enter the total of Line 40D and Line 40E.
- XVII. Schedule I3—Pipeline MCF Miles.
- A. Column A—SBE Pipeline Number.
 - 1. Line 1A to 42A—Enter the State Board of Equalization Pipeline Number.
 - 2. If SBE Pipeline Number unknown—contact Valuation Division—Transportation Section Supervisor.
 - 3. If pipeline entirely outside California, no entry is required in this column.
 - B. Column B—Pipeline Segment Name.
 - 1. Lines 1B to 42B—Enter the Pipeline Name of each segment in the System (from — to), e.g., Bakersfield—Fresno.
 - C. Column C—California Mileage.
 - 1. Lines 1C to 42C—Enter the number of Miles the pipeline is in California to the nearest *hundredth*.
 - 2. Line 43C—Enter the total of Lines 1C to 42C.
 - D. Column D—Other States Mileage.
 - 1. Lines 1D to 42D—Enter the number of Miles the pipeline is in other states to the nearest *hundredth*.
 - 2. Line 43D—Enter the total of Lines 1D to 42D.

D. Natural Gas Pipelines
Instructions for Form BOE-517-PG (Continued)

**Table to Convert FERC Account Numbers into Cost Detail Group
for Form BOE-517-PG Schedule B4**

COST DETAIL GROUP													
FERC ACCOUNT NUMBERS	1	2	3	4	5	6	7	8	9	10	11	12	99
	305	352.2	332	311	380	306	393	333	307	330	391	364.7	301
	326		343	362		308	395	334	316	331		370	302
	327		353	363.1		309	345	320	352	397		303	
	328		367			310	346	337	304				
	329		376			312	354	347	325.1				
	341		313			355	357	325.2					
	351		314			363.3	363.5	325.3					
	361		315			363.4	364.8	325.4					
	364.2		317			364.5	371	325.5					
			318			364.6	387	338					
	366		319			368	392	340					
	375		335			369	394	350.1					
	390		336			377	396	350.2					
			342			378	398	352.1					
			344			379	352.3						
			356			381	360						
			363			382	364.1						
			363.2			383	365.1						
			364.3			384	365.2						
		364.4	385		374								
		386	389										
	399												

- E. Column E—MCF Pumped.
 - 1. Lines 1E to 42E—Enter the MCF of Gas Pumped thru each pipeline segment in the System.
 - 2. Line 43E—Enter the total of Lines 1E to 42E.
- F. Column F—California MCF Miles (C x E).
 - 1. Lines 1F to 42F—Multiply Column C by Column E.
 - 2. Enter the total to the nearest *hundredth*.
 - 3. Line 43F—Enter the total of Lines 1F to 42F.
- G. Column G—Other States MCF Miles (D x E).
 - 1. Lines 1G to 42G—Multiply Column D by Column E.
 - 2. Enter the total to the nearest *hundredth*.
 - 3. Line 43G—Enter the total of Lines 1G to 42G.

E. Instructions for Flumes, Canals, Ditches, and Aqueducts (Form BOE-517-PW)

- I. Schedule A—Comparative Balance Sheet
 - A. Total Assets must equal total Liabilities and Shareholder's Equity.
- II. Schedule B—Total California Plant and Equipment.
 - A. Column A—Balance Beginning of Current Year.
 - 1. Lines 1A-44A—Enter the total of all California Taxable Property.
 - 2. Line 45A—total Lines 1A-44A.
 - 3. Lines 46A-50A—Enter the total of all California Nontaxable Property.
 - 4. Line 51A—total Lines 46A-50A.
 - 5. Lines 53A-54A—Enter Applicable California Accrued Depreciation.
 - 6. Line 55A—total Lines 53A-54A.
 - 7. All totals should agree with *last years'* BOE-517-PW, Schedule B, End of Year Balance—Column D.
 - 8. If revisions have been made, attach schedule changes and reasons for changes.
 - B. Column B—Additions.
 - 1. Lines 1B-44B—Enter the total of all California Taxable Additions.
 - 2. Line 45B—total Lines 1B-44B.
 - 3. Lines 46B-50B—Enter the total of all California Nontaxable Additions.
 - 4. Line 51B—total Lines 46B-50B.
 - 5. Lines 53B-54B—Enter Applicable California Accrued Depreciation.
 - 6. Line 55B—total Lines 53B-54B.
 - C. Column C—Retirements.
 - 1. Lines 1C-44C—Enter the total of all California Taxable Retirements.
 - 2. Line 45C—total Lines 1C-44C.
 - 3. Lines 46C-50C—Enter the total of all California Nontaxable Retirements.
 - 4. Line 51C—total Lines 46C-50C.
 - 5. Lines 53C-54C—Enter Applicable California Accrued Depreciation.
 - 6. Line 55C—total Lines 53C-54C.
 - D. Column D—Balance End of Current Year.
 - 1. Column A plus Column B less Column C will equal Column D.
 - E. California County-Assessed Balance and State-Assessed Balance Columns.
 - 1. The sum totals of California County-Assessed Property and State-Assessed Property must balance back to Column D. Thus separate Column D into either of the two columns: California County-Assessed Property or State-Assessed Property.

- III. Schedule B2—Reconcile Schedule B State-Assessed Plant and Equipment to Dollar-Age Detail Report and Schedule H.
 - A. Line item 1—Total Plant and Equipment.
 - 1. Enter the total from Schedule B, Lines 7 thru 43, State-Assessed Balance column.
 - B. Line Item 2—Total of Dollar-Age Detail Report—Fixed Equipment.
 - 1. Enter the total of all items listed on form BOE-533-PF.
 - C. Line Item 3—Total of Dollar-Age Detail Report—Continuous Pipeline.
 - 1. Enter the total of all items listed on form BOE-533-PP.
 - D. Line Item 4—Total State-Assessed Taxable New and Replacement CWIP.
 - 1. Enter the total from Schedule H, Line 13, Column C.
 - E. Line Item 5—Total of Dollar-Age Detail Report less Schedule H.
 - 1. Enter the total of Line 2 plus Line 3 minus Line 4.
 - F. Line Item 6—Difference.
 - 1. Subtract Line 5 from Line 1.
 - 2. Line 6 should equal zero.
 - 3. Include CWIP reported in Schedule H in Schedules BOE-533-PF and BOE-533-PP.
 - G. Report only State-Assessed Property on forms BOE-533-PF and BOE-533-PP.
Do not include Land, Rights-of-Way, or Materials and Supplies.
- IV. Schedule C—Real Property Rentals
 - A. Enter total payments made to private parties and/or public agencies for California partial rights, full rights, land, structures, and/or other real property rentals.
- V. Schedule E—Ad Valorem Taxes Levied on State-Assessed Property on the Most Recent Board Roll.
 - A. Columns A, B & C—Total County Taxes Levied.
 - 1. This schedule pertains only to California Counties.
 - 2. This schedule pertains only to property assessed by the California State Board of Equalization.
 - 3. Enter the combined total of the first and second installments for the prior fiscal years California City and County tax bills for each County.
 - 4. Do not include any property assessed by any California County Assessor.
 - 5. Do not include any California levies on private (railroad) cars.
 - 6. Do not include any special assessments.
- VI. Schedule F—Sources and Uses of Water.
 - A. List all sources and uses of water.
- VII. Schedule H—Construction Work in Progress.
 - A. Construction Work in Progress (CWIP) should be reported as follows:
 - 1. Preliminary Engineering Costs as part of Taxable CWIP.
Preliminary Engineering Costs are those costs incurred prior to the commencement of a construction project such as feasibility studies, architectural drawings, and engineering studies. Preliminary Engineering Costs may also include architectural and engineering costs incurred during the construction phase of the project, providing they relate to the overall project rather than to the portion of the project currently being constructed. These costs should be metered in as part of taxable CWIP based on the percentage of completion as of January 1. Ideally, this completion percentage should be based on an engineering estimate. However, if an engineering estimate is not obtainable, a completion percentage based on the incurred costs of construction including overhead to January 1, divided by the estimated total costs for the project will be accepted.

2. Overhead Costs as part of Taxable CWIP.
The reported amount for CWIP should include the proper loading for Overhead Costs. Overhead Costs are indirect labor, injuries and damages, taxes, general and administrative expenses, and overhead loading such as Allowance for Funds Used During Construction (AFUDC). The reported CWIP for California is considered to be properly loaded with its respective amount taxable Overhead Costs when:
 - a. The taxable Overhead Costs are traceable to the taxable property; *OR*
 - b. The taxable CWIP is loaded with its proportionate share of Overhead Costs based on the percentage of the job's incurred taxable costs including the metered in Preliminary Engineering Costs to the total expenditures as of January 1. This *percentage* is expressed as:

$$\frac{\text{Taxable Cost to Date Before Overhead Loading (See Note 1)}}{\text{Total Costs to Date Before Overhead Loading}}$$

Note 1. Taxable costs to date before overhead loading = (Taxable costs to date, less non-taxable preliminary engineering and less any other nontaxable such as prepayments for out-of-state equipment).

3. CWIP should be reported in two categories:
 - a. New—(CWIP representing construction of new facilities.)
 - b. Replacement—(CWIP representing replacement of existing facilities.)
 If precise dollar amounts for the two categories of CWIP are not available, percentages may be reported with an explanation of how the percentages were derived.
 4. Include Taxable CWIP on the Dollar-Age Detail Report—Fixed Equipment (BOE-533-PF) or Dollar-Age Detail Report—Continuous Pipeline (BOE-533-PP).
- B. Description Column.
 1. Line 1 to 12—Enter the location and description for each line item by Dollar-Age Detail Report Code, County Code and Location Code for all CWIP items.
 - C. Column A—State-Assessed New Construction — Taxable CWIP.
 1. Lines 1A to 12A—Enter the cost for each location & description.
 2. Line 13A—Enter the total of Lines 1A to 12A—Total State-Assessed Taxable CWIP.
 - D. Column B—State-Assessed Replacement—Taxable CWIP.
 1. Lines 1B to 12B—Enter the cost for each location & description.
 2. Line 13B—Enter the total of Lines 1B to 12B—Total State-Assessed Taxable CWIP.
 - E. Column C—Total California CWIP.
 1. Add Line 13A and 13B to Line 13C—Total Taxable California CWIP.

III. Dollar-Age Detail Report

A. General Instructions

All California State Board of Equalization assessed property in California shall be listed on prescribed forms known as the Dollar-Age Detail Report in the detailed manner hereinafter explained. The Dollar-Age Detail Report shall accurately describe the property as it exists at 12:01 a.m. on the first day of January.

Undepreciated original cost (100 percent of actual cost) shall be associated with each item listed, except certain items of property as hereinafter provided. These costs should be grouped by location and subtalled. A grand total for all items in each county shall also be included on the last page. Include excise, sales and use taxes, freight-in installation charges, and all other relevant costs. Include finance charges during the period of construction, where applicable, for self-constructed equipment, and construction financing for buildings. Do not include finance charges for purchased equipment or buildings.

B. Instructions for Fixed Equipment (form BOE-533-PF)

I. General Instructions.

- A. If submitting a computer generated BOE-533-PF form, the forms must be pre-approved by the Transportation Supervisor and must be in the same format as the preprinted forms.
- B. Report only one location on a page.
- C. Each location may have more than one page.
- D. Include State Assessed Construction Work in Progress (CWIP) as reported in BOE-517, Schedule H.
- E. Do not include Materials and Supplies.
- F. Do not include Land and Right of Way.
- G. Do not include California County-Assessed Property.
- H. Do not include items that are not state assessed. See page 37 of Instructions for Property Not in Board Assessment Jurisdiction.
- I. Items shall be identified by County Number, Location, Acquisition Date, Description (e.g., FERC Account Number) and Acquisition Cost.
- J. Items with same FERC Account Number and same Acquisition Date may be combined and reported on the same line.
- K. Property which has been retired from the assessee's accounts, but which is still owned and in place shall be listed and accompanied by a full explanation of its present status. Its undepreciated book cost at the time of retirement shall be shown.

II. Top of Form.

- A. Location Name.
 - 1. Enter the name of the physical location, e.g., Bakersfield Pump Station.
- B. SBE Number.
 - 1. Enter the State Board of Equalization (SBE) assigned number, e.g., 499.
- C. Type of Pipeline.
 - 1. Check the type of material transported in pipeline, e.g., Crude.

- D. Assessee Name.
 - 1. Enter name of entity reporting to Board.

III. Columns A to F.

- A. Column A—Description.
 - 1. This column is optional.
 - 2. Enter description of item.
- B. Column B—County Number.
 - 1. Enter the County Number in which the property is located, e.g., if located in Ventura County enter 56.
 - 2. See page 38 of Instructions for California County Numbers.
- C. Column C—Location Code.
 - 1. Enter your Accounting Location Code, e.g., 4956.
- D. Column D—Acquisition Date.
 - 1. Enter the four-digit year the equipment was acquired, e.g., 1970.
- E. Column E—FERC Account Number.
 - 1. Enter the FERC Account Number for the type of equipment, e.g., 156.
 - 2. If regulated by FERC, use the FERC assigned account number.
 - 3. If not regulated by FERC, use the account numbers on page 38 of Instructions.
- F. Column F—Original Cost.
 - 1. Enter the original cost of the equipment, e.g., 32,967.
 - 2. Report book cost (100 percent of actual cost include excise, sales and use taxes, freight-in, installation charges, finance charges during construction, and all other relevant costs required to place the property in service. Do not reduce costs for depreciation (which must be reported separately). Report separately the details of any write-downs of cost, extraordinary damage or obsolescence, or any other information that may help the Board in estimating fair market value.
 - 3. Do not include finance charges for purchased equipment or buildings.
 - 4. Total Location Original Cost—Column F.
 - a. Enter the total original cost of all items in Column F.
 - b. If more than one page—Enter total Location Original Cost on last page.
 - c. If more than one page—leave all pages “Total Location Original Cost” box blank except for last page.

C. Instructions for Continuous Pipeline (form BOE-533-PP)

- I. General Instructions.
 - A. If submitting a computer generated BOE-533-PP form, the form must be pre-approved by the Transportation Supervisor and must be in the same format as the preprinted forms.
 - B. Report only one location on a page.
 - C. Each location may have more than one page.
 - D. Include State-Assessed Construction Work in Progress (CWIP) as reported in BOE-517, Schedule H.
 - E. Do not include Materials & Supplies.
 - F. Do not include Land and Right of Way.
 - G. Do not include California County-Assessed Property.

- H. Do not include items that are not state assessed. See page 37 of Instructions for Property Not in Board Assessment Jurisdiction.
 - I. Items shall be identified by County Number, Location, Acquisition Date, Description (e.g., FERC Account Number) and Acquisition Cost.
 - J. Items with same FERC Account Number and same Acquisition Date may be combined and reported on the same line.
 - K. Property which has been retired from the assessee's accounts, but which is still owned and in place shall be listed and accompanied by a full explanation of its present status. Its undepreciated book cost at the time of retirement shall be shown.
- II. Top of Form.
- A. Pipeline Name.
 - 1. Enter the name of the pipeline segment (from—to), e.g., Bakersfield—Fresno.
 - B. Assessee Name.
 - 1. Enter name of entity reporting to Board.
 - C. Assessee Number.
 - 1. Enter the State Board of Equalization (SBE) assigned number, e.g., 499.
 - D. Pipeline Number
 - 1. Enter the SBE pipeline number.
 - 2. If SBE pipeline number unknown—contact Valuation Division—Transportation Section Supervisor.
 - E. Type of Pipeline.
 - 1. Check the type of material transported in pipeline, e.g., Crude.
- III. Columns A to F.
- A. Column A—Description.
 - 1. This column is optional.
 - 2. Enter description of item.
 - B. Column B—County Number.
 - 1. Enter 60 for the County Number.
 - 2. All continuous pipelines will use 60 for the County Number.
 - 3. This is to differentiate pipelines from fixed equipment.
 - C. Column C—Location Code.
 - 1. Enter your Accounting Location Code, e.g., 4956.
 - D. Column D—Acquisition Date
 - 1. Enter the four-digit year the equipment was acquired, e.g., 1970.
 - E. Column E—FERC Account Number.
 - 1. Enter the FERC Account Number for the type of equipment, e.g., 156.
 - 2. If regulated by FERC use the FERC assigned account number.
 - 3. If not regulated by FERC use the account numbers in Appendix B.
 - F. Column F—Original Cost.
 - 1. Enter the Original Cost of the equipment, e.g., 32,967.
 - 2. Report book cost (100 percent of actual cost). Include excise, sales and use taxes, freight-in, installation charges, finance charges during construction, and all other relevant costs required to place the property in service. Do not reduce costs for depreciation (which must

be reported separately). Report separately the details of any write-downs of cost, extraordinary damage or obsolescence, or any other information that may help the Board in estimating fair market value.

3. Do not include finance charges for purchased equipment or buildings.
4. Total Location Original Cost—Column F.
 - a. Enter the total Original Cost of all items in Column F.
 - b. If more than one page—Enter Total Location Original Cost on last page.
 - c. If more than one page—leave all pages “Total Location Original Cost” box blank except for last page.

D. Instructions for Pipeline Mileage Report (form BOE-575-P)

I. General Instructions.

- A. Report only one Pipeline on a page.

II. Top of Form.

A. Pipeline Name.

1. Enter the name of the pipeline segment (from—to), e.g., Bakersfield—Fresno.

B. Assessee Name.

1. Enter name of entity reporting to Board.

C. Assessee Number.

1. Enter the State Board of Equalization (SBE) assigned number, e.g., 499.

D. Pipeline Number.

1. Enter the State Board of Equalization Pipeline Number.
2. If SBE Pipeline Number unknown—contact Valuation Division—Transportation Section Supervisor.

III. Columns A to B.

A. Column A—County Number.

1. Enter the County Number in which each section of the pipeline is located, e.g., if section of pipeline is located in Ventura County enter 56.
2. See Appendix A for California County Numbers.

B. Column B—Pipeline Mileage in County.

1. Enter the total mileage in each California County to the nearest *hundredth* of a mile.
2. Do not enter any pipeline mileage outside of California.
3. Enter total California mileage in box labeled Total Pipeline Mileage.

E. Special Instructions

I. Reconciliation.

- A. The total of all the Dollar-Age Detail Reports — Fixed Equipment (BOE-533-PF) and Continuous Pipeline (BOE-533-PP) must equal one of the following Property Statement Schedules:

1. If a Common Carrier (BOE-517-PC):
The Total of Schedule B2, Line 23-D and the total of Schedule B3, Line 23-D.
2. If a Noncommon Carrier (BOE-517-PN):
The total of Schedule B2, Line 22D.
3. If a Natural Gas Pipeline (BOE-517-PG):
The total of Schedule B2, Line 50D.

4. If a Flume, Canal, Ditch or Aqueduct (BOE-517-PW):
Schedule B Balance, Line 7 thru 44, in the State-Assessed Column.

II. Computer Generated Filing.

- A. Must be pre-approved by Transportation Section Supervisor.
 1. Hardcopy must be in same format as BOE-533-PF & BOE-533-PP.
 2. Diskette must be in same format as BOE-533-PF & BOE-533-PP.
 3. Hardcopy must be furnished.
 4. Diskette must be furnished.
 - a. Must be in Excel 5.0 format.
 - b. Diskette type:
 1. 3.25-inch — 1.44MB High-Density.
 2. No Exceptions.
 - c. Diskette must be labeled as to contents.

IV. Statement of Land Changes for Intercounty Watercourses

A. General Instructions.

Legal parcels which are entirely leased by a state assessee must be reported to the Board on a Statement of Land Changes (form BOE-551). Three copies of land identification maps must be included. The parcels should also be reported on the Dollar-Age Detail Report.

A ground lease for a portion of a legal land parcel (partial lease) for facilities such as cellular telephone sites, microwave sites (passive or active), repeater sites, substations, etc., shall be reported.

A ground lease for a portion of a legal parcel (partial lease) for a regeneration site or for a communications tower in which the equipment is located within a portion of a building should not be reported unless the leased portion is from a tax exempt lessor.

A lease of a portion of office or commercial space within an existing building, roof-top space for communications equipment, or vault space within an existing privately owned communications facility (partial leases) should not be reported unless the leased portion is from a tax exempt lessor. State assessee owned or used equipment at these locations shall be reported on the Dollar-Age Detail Report.

The Statement of Land Changes (SLC), form BOE-551, shall list all lands which have been acquired or disposed of (including partial sales or leases) since the date of the previous property statement. The SLC must be filed with the property statement, or within 60 days of acquisition or disposal, whichever is earlier. State assesses filing a property statement for the first time must file an SLC for each land parcel in which they have an interest. The SLC must be completed in its entirety. If a section of the SLC does not apply to the parcel being reported, it should be marked "Not Applicable" or "N/A." If no transactions involving land have occurred since the last property statement, a SLC should be marked "None" or "No Changes."

The SLC requests the following information:

- a. Tax Rate Area.
- b. Map and parcel numbers (see land identification map section on page 11).
- c. Area (acres or square feet) of parcel or mileage if a right of way parcel.
- d. Both old and new parcel numbers in the case of reparcelling.
- e. Name and address of grantor or grantee (lessor or lessee if leased land).
- f. Type of instrument and date of agreement.
- g. Recording reference and date.
- h. Description of improvements included.
- i. The consideration (if any).
 1. Purchase price
 2. Sale price
 3. Monthly/Annual rental at start of lease
 4. Current rental
- j. County assessor's parcel number.
- k. Lease information.

B. Leased Properties.

In the case of a new lease, a description of the terms of the lease shall be given, including the amount of the current rental, the term of lease, and renewal options, if any. If the terms of the

lease are complex, or cannot be fully described in the space provided, attach a copy of the lease. Leased properties include property leased to or from another person. The improvements being leased shall be itemized. A copy of the building plan should be included for newly leased structures.

Whenever there is a renewal of the lease on real property which is reported to the Board, an SLC shall be filed with the Valuation Division. A brief description of the terms of the renewal shall be given including the amount of the rental and the new expiration date. The SLC should be clearly marked "Lease Renewal."

Property leased by a state assessee that is only a small part of a larger parcel (partial leases) may be delegated to the local assessor for assessment. When a substantial portion, or an entire unit of real property is leased by the state assessee, it should be reported to the Board on an SLC.

C. Possessory Interest

Taxable possessory interest means a possessory interest in nontaxable publicly owned real property, as such property is defined in section 104 of the California Revenue and Taxation Code, and in taxable publicly owned real property subject to the provisions of sections 3(a), (b) and 11, Article XIII of the Constitution. For further definitions of possessory interests, see Property Tax Rule 20, Title 18, California Code of Regulations. It should be noted that the partial lease provisions of item 2 above do not apply to possessory interests.

In listing a possessory interest in a parcel owned by a tax-exempt government agency, the name of the agency shall be shown, and the expiration date of the agreement shall be stated. If the possessory interest is derived from a permit or license, the area (or length) and type of use must be stated.

D. Partial Interests

The following variations are applicable to particular kinds of partial interests in land:

- a. In listing an undivided interest in a parcel, the total area of the parcel shall be shown together with the nature and extent of the assessee's interest and the names of the other owners.
- b. In listing a special interest in a parcel such as oil rights only, or a full interest except for oil rights, or easement, the nature and extent of the interest shall be shown.
- c. In listing miscellaneous rights in land not covered above, the rights shall be fully described.

E. Land Identification Maps

Each statement of land changes, except those related solely to a rental increase or a rental extension, shall be accompanied by Land Identification Maps. Land Identification Maps (Maps) shall be filed in triplicate with the name of the company and the name of the county on each map. The Map shall be assigned map and parcel numbers as outlined below. Each Map shall show such information as will clearly describe and locate the property with respect to:

- Officially established lines such as section lines, parcel lines, parcel centerlines and intersection lines.
- Reference points shown on maps of record such as township and range.
- Assessor parcel number as it pertains to the parcel being reported.

This information shall include, if necessary, legal descriptions or references to maps filed with the county recorder under the provisions of Division 3, commencing with section 66499.50 of Title 7 of the Government Code. Maps showing information other than land location matters may be used, but such other information will not be considered a part of the description for purposes of assessment.

When Maps are prepared, they shall be 20" x 30" in overall dimensions, with a 1-3/4" margin on the left 20" side. The scale of the map and the direction of North shall be shown on all Maps. Previously prepared maps, such as Interstate Commerce Commission valuation maps, will be accepted up to a maximum overall size of 24" x 56". County assessor's parcel maps will be acceptable provided they meet the previously stated tests for clarity of description and if they have the parcel being described clearly delineated.

Land Identification Maps shall be assigned a three part number; for example, 872-34-6B or 1284-34-7. In the first example, 872 is the SBE number assigned to the assessee; 34 is the SBE number of the county, being the county's position in an alphabetical tabulation of counties; 6 means that the Map is number 6 in a series of Maps for that county; 6B indicates that changes occurred as shown on Map 6 after it was originally filed, requiring reparceling as shown in Map 6A, and further reparceling as shown on 6B. Parcel numbers shall be assigned consecutively beginning with Parcel 1 for each map. Parcel numbers shall restart with number 1 on each subsequent revision to the base map.

Maps shall not be refiled annually. New maps shall be filed only under the following circumstances:

- a. When it is necessary to show new parcels acquired subsequent to the prior year lien date property statement.
- b. When new parcelling of previously reported parcels is necessary; for example, when a portion of a previously reported parcel is disposed of, only the portion retained is to be shown on the new map.

Changes such as disposal of an entire parcel, changes in the nonfee status that do not affect the boundaries of the parcel, lease renewals, etc., do not require the submission of new maps.

When a new parcel is acquired that is contiguous to an existing parcel, it is desirable to consolidate the parcels into one. At other times it may be desirable to consolidate or modify parcel boundaries or descriptions.

Any deviations from the above standards must be approved by the Valuation Division in advance, and in writing.

V. Schedule of Intangible Information

A. General Information

The Schedule of Intangible Information, form BOE-529-I, shall be used to declare intangibles. If intangibles are declared, they should be itemized and include a corresponding value. The basis of each value should also be described on the form.

If no intangibles are declared, check the box titled ***No Reportable Intangibles***, or mark the ***"N/A"*** box on the front of the BOE-517 indicating nothing to be reported.

VI. Schedule of Leased Equipment for Intercounty Watercourses

A. General Information

Personal property or equipment in the possession of the assessee which is rented or leased is to be reported on forms BOE-600-A or BOE-600-B. All equipment which the state assessee (lessee) is obligated by the terms of the lease to report for ad valorem tax purposes shall be listed on form BOE-600-A. Equipment for which there is not a written understanding between the state assessee and the lessor as to which one is to report the property for assessment shall also be included on form BOE-600-A. Property leased from an entity described in Revenue and Taxation Code section 235 (financial corporation) must be reported on **form BOE-600-A** notwithstanding the terms of the lease with respect to payment of the property taxes. *All equipment listed on form BOE-600-A is also to be included in the Dollar-Age Detail Report.*

All equipment which, either by the terms of the lease or by a written understanding between the state-assessee and the lessor, is to be reported to the local assessor by the lessor on form BOE-600-B and shall NOT be included in the Dollar-Age Detail Report. Forms BOE-600-A and BOE-600-B for reporting leased personal property or equipment may be obtained from the Valuation Division.

Additional instructions are printed on the reverse side of each form.

VII. Fiber Optic Miles of Right of Way

Form BOE-534-FO, ***Schedule of Fiber Optic Right of Way, Conduit, and Cable***, should be used to report annually to the Valuation Division the number of miles of California fiber optic right of way (ROW)/easements. The assessee is not required to report fiber optic ROW of form BOE-551, ***Statement of Land Changes***. Please contact Mr. Daniel Sakai at (916) 324-2968 if you need assistance completing this form.

For purposes of this publication, right of way is defined as any land or partial interest in land owned or used for the purpose of laying or placing fiber optic cable in order to transmit voice, data, or video signals. The term "used by" shall include land leased by a state assessee from private parties (leased) or government agencies (possessory interest). A right of way is created when fiber optic cable is installed on a pole, buried in the ground or laid on the surface of the ground.

If you do not own or use any fiber optic ROW, check the box titled ***No Property Interest***, on form BOE-534-FO.

When completing form BOE-534-FO, the following information should be provided.

- Lien date (year)
- Assessee Name
- SBE Number assigned to your company
- Number of miles, by county, of public ROW located in a public street or highway
- Number of miles, by county, of private shared ROW.
- Number of miles, by county, of private ROW (Not Shared) and any taxable possessory interest (PI) not located in a public street or highway.
- Number of miles of local assessed ROW, by county
- Total number of miles, by county

- Grand total of California ROW miles

Provide one copy of a ROW route map or “As Built” drawings from your engineering department in sufficient detail to locate on the ground. This is not a request for assessor parcel maps. All maps should be to scale to allow verification of the miles of ROW.

Classification of Fiber Optic Right of Way

Each mile of ROW shall be classified as public, private shared, private not shared, or locally assessed.

ROW located above, below, or along a public street or highway shall be classified as public. ROW assessed by the county assessor with the larger parcel from which the easement originated shall be classified as locally assessed. Private ROW shall be any remaining miles. Private ROW cost should be reported on Schedule B of the form BOE-517 with the account number used by the company to identify the cost.

Report only permanent ROW. Do not report any temporary parcels used for construction of the fiber optic system.

All miles are route (not fiber) miles and should be the total linear miles in, on, or along the ground. Do not include any miles located in a building.

The following table should be used as a general guideline in classifying ROW. It does not represent a complete list of the numerous and varied land rights and agreements. Please check with your engineering and/or real estate staff for assistance in classifying ROW miles.

VIII. Other Information

A. Stockholder’s Reports and Reports to Regulatory Agencies.

Copies of reports to stockholders and reports to regulatory agencies shall be submitted to the

Type of Property	Public Street/Hwy	Private Shared	Private Not Shared	Locally Assessed
Fee Simple		YES	YES	
Leased		YES	YES	
ROW and Easement Agreement		YES	YES	
Taxable PI (<i>in public street or hwy</i>)	YES			
Taxable PI (<i>not in public street or hwy</i>)			YES	
ROW/Easement Valued by County Assessor (<i>Value of ROW/easement is included in the value of the larger parcel from which the easement originated</i>)				YES
Indefeasible Right to Use (I.R.U.) Agreement	YES	YES		
Fiber Swaps or Exchange of Capacity Agreement (<i>Report owned ROW only. Do not report used ROW.</i>)		YES	YES	

Valuation Division as set forth in the instructions to state assessees included with Property Statement form BOE-517.

B. Foreign Improvement Lists.

Each state assessee shall annually file a statement attesting to the separate ownership of improvements located on land owned by the assessee with the assessor of each county where such property is located, and shall furnish a copy of the statement to the Valuation Division.

C. Book Cost.

The book cost of an asset should include all the capitalized costs of placing an asset into service. These costs include but are not limited to:

- a. Purchase price.
- b. Sales and use taxes.
- c. Transportation charges.
- d. Installation charges.
- e. Construction period finance charges.
- f. Construction period opportunity costs.
- g. Engineering and design costs.

If the book costs being reported does not include these capitalized costs or other capitalized costs that were incurred in order to place assets into service, report such costs on a separate schedule.

If any of the costs referred to above are being expensed, report such costs on a separate schedule.

Self-constructed equipment and buildings:

The book cost of self-constructed equipment and buildings should include all the costs referred to above. The book cost should be the cost that an unrelated party, bearing the full economic burden, would charge to place an asset into service on a turnkey basis. If any of these costs were not incurred as a cash expenditure, impute an economic (prevailing rate at the time of construction) dollar amount and report such amounts on a separate schedule.

D. Average Inventories.

If property is held for resale, report the average inventory of such property for the prior calendar year as well as year end balances.

E. Working Cash.

Report estimated working cash necessary for operations based upon the latest lead/lag studies required by the most recent rate cases. Should no current lead/lag study be available, report estimated working cash by other appropriate or generally accepted practices. In either instance, detailed analysis of how estimate was derived should be included.

F. Property Not in Board Assessment Jurisdiction.

1. California Nontaxable Property.
 - a. Licensed vehicles.
 - b. Communication equipment in licensed vehicles.

- c. Property located on federal enclaves—Verify with SBE that location is actually a federal enclave before claiming as nontaxable.
 - d. Nontaxable Construction Work in Progress.
 - i. Preliminary Engineering Costs—See Instructions for form BOE-517, Schedule H, to determine if nontaxable.
 - ii. Overhead Costs—See Instructions for form BOE-517, Schedule H, to determine if nontaxable.
 - e. Business Inventory—Property held for sale or lease in the ordinary course of business.
2. California County-Assessed Property.
 - a. Any property assessed by any California County Assessor.
 - b. Do Not include investments in subsidiaries.
 3. Other States Property.
 - a. Any property outside of California.
 - b. Do not include investments in subsidiaries.

G. Exempt Software

Pursuant to Revenue and Taxation Code section 995, storage media for computer programs, such as hard drives, shall be valued for property tax purposes as if there were no computer programs on such media other than basic operational programs. In other words, computer programs other than basic operational programs are not subject to property tax. Revenue and Taxation Code section 995.2 defines the term “basic operational program.” All software programs not considered “basic operational programs” may be referred to as “exempt software programs” or “nontaxable programs.” It is the assessee’s responsibility to identify and remove all exempt software program costs from taxable accounts and report these costs separately to the Board of Equalization on the Schedule B and Summary Control portions of the Property Statement.

All reported costs of exempt software programs are subject to audit. In support of an assessee’s claimed software exemption, Property Tax Rule 152 (f) states, “A person claiming that a single-price sale or lease includes charges for nontaxable programs and services should be required to identify the nontaxable property and services and supply sale prices, costs or other information that will enable the assessor to make an informed judgment concerning the proper value to be ascribed to taxable and nontaxable components of the contract.” *Other information* can include, but is not limited to, a detailed study from the manufacturer of the equipment. Property Tax Rule 152 (e) also states, in part, “the assessor, lacking evidence to the contrary, may regard the total amount charged as indicative of the value of taxable tangible property.”

IX. Appendices

Appendix A. List of California Counties

COUNTY NUMBER	COUNTY NAME	COUNTY NUMBER	COUNTY NAME
1	ALAMEDA	30	ORANGE
2	ALPINE	31	PLACER
3	AMADOR	32	PLUMAS
4	BUTTE	33	RIVERSIDE
5	CALAVERAS	34	SACRAMENTO
6	COLUSA	35	SAN BENITO
7	CONTRA COSTA	36	SAN BERNARDINO
8	DEL NORTE	37	SAN DIEGO
9	EL DORADO	38	SAN FRANCISCO
10	FRESNO	39	SAN JOAQUIN
11	GLENN	40	SAN LUIS OBISPO
12	HUMBOLDT	41	SAN MATEO
13	IMPERIAL	42	SANTA BARBARA
14	INYO	43	SANTA CLARA
15	KERN	44	SANTA CRUZ
16	KINGS	45	SHASTA
17	LAKE	46	SIERRA
18	LASSEN	47	SISKIYOU
19	LOS ANGELES	48	SOLANO
20	MADERA	49	SONOMA
21	MARIN	50	STANISLAUS
22	MARIPOSA	51	SUTTER
23	MENDOCINO	52	TEHAMA
24	MERCED	53	TRINITY
25	MODOC	54	TULARE
26	MONO	55	TUOLUMNE
27	MONTEREY	56	VENTURA
28	NAPA	57	YOLO
29	NEVADA	58	YUBA

Appendix B. FERC Account Numbers

FERC ACCOUNT NUMBER	DESCRIPTION
151	LAND
152	RIGHT-OF-WAY
153	LINE PIPE
154	LINE PIPE FITTINGS
155	PIPELINE CONSTRUCTION
156	BUILDINGS
157	BOILERS & HEATERS
158	PUMPING EQUIPMENT
159	MACHINE TOOLS AND MACHINERY
160	OTHER STATION EQUIPMENT
161	OIL TANKS
162	DELIVERY FACILITIES
163	COMMUNICATION SYSTEMS
164	OFFICE FURNITURE AND EQUIPMENT
165	VEHICLES AND OTHER WORK EQUIPMENT
166	OTHER PROPERTY
187	CONSTRUCTION WORK IN PROGRESS

Appendix C. List of Available Publications

67EG Electric Generation Companies
67GE Gas and Electric Companies
67LE Telephone Companies—Local Exchange Carriers
67PL Intercounty Pipelines and Watercourses
67RC Telephone Companies—Radio Common Carriers
67RF Railcar Maintenance Facilities
67RR Railroad Companies
67TC Telecommunication Carriers
67TR Telecommunication Resellers
67WT Telephone Companies—Wireless Carriers

Copies of the above listed publications may be obtained by writing to:

State Board of Equalization
Valuation Division
PO Box 942879
Sacramento CA 94279-0061

Or by logging onto the Board of Equalization Internet site at **www.boe.ca.gov**.

